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ABSTRACT

This cost study of the Modular Achievement Program at Bowling Green State University indicates expenditures for the 1972-73 academic year according to the state auditor's budgetary system for state universities of Ohio. Following an overview of the financial situation, emphasis is placed on indirect university contributions, instructional cost, and savings to student and state. Appendices include budgetary data. Related documents concerning components of the MAP program are HE 005 081, 005 102, 005 083, 005 078, 005 080, 005 101, 005 077, and 005 079. (MJM)

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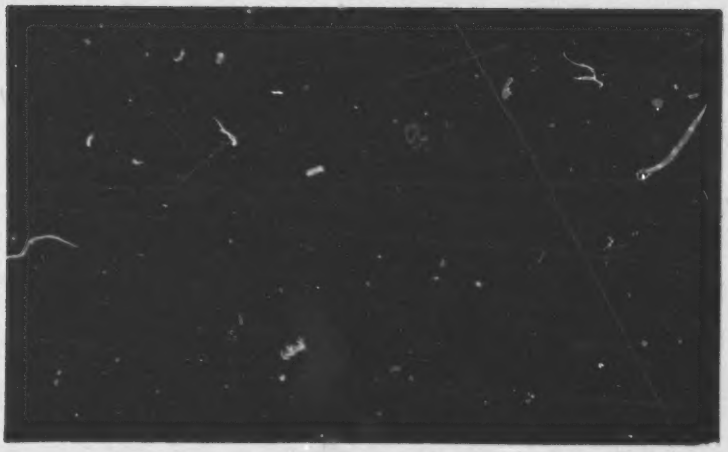

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Modular Achievement Program / Bowling Green State University

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Modular Achievement Program

Financial Evaluation

1972-73

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Modular Achievement Program

Financial Evaluation

The cost study of the Modular Achievement Program that follows indicates financial expenditures for the 1972-73 academic year according to the state auditor's budgetary system for state universities of Ohio. Through the utilization of standardized categories (salaries of contract and classified personnel, temporary employment, equipment, travel and other), this system allows for an itemized accounting of individual expenditures.

However, it was felt that better indices of actual program costs were necessary and that a more realistic financial assessment of the MAP instructional program could be realized by redistributing the total costs among component programs by functions. For these reasons, the expenditures reflected in the "Actual MAP Project Expenditures/1972-73" were divided into four areas or functions in "Direct & Indirect Expenditures by Programs and Functions: MAP 1972-73." They are: instruction - including departmental reimbursement costs for faculty released time; counseling - including salaries of counselors and operating funds essential to implementation of an academic and personal development program for students; evaluation - including salaries of evaluation personnel and costs incurred in the evaluation of the program; and instructional support - including administrative staff salaries and MAP operating funds (includes component program operating monies). These functions were then subdivided on the basis of income sources: the Carnegie Corporation, direct university funds, and indirect university contributions.

MAP began the 1972-73 academic year with an authorized budget of $155,481.32. $134,030 of this budget was allocated for salaries while $21,451.32 was designated as operating expenses. As a result of transfers into the budget and a redistribu-

tion of these funds, the total authorized budget was increased to $161,356.29. Of these monies, MAP expended $144,884.40 for salaries and $13,567.28 for operations, thereby leaving an unexpended balance of $2,904.61.

Although these figures indicate the actual MAP expenditures for 1972-73, they do not take into consideration the indirect costs encumbered by the university nor do they accurately analyze programmatic costs by function.

It might be advantageous to begin such an analysis with a comparison of MAP's sources of income to its sources of expenditure. MAP student credit hours produced approximately $155,000 in addition to the $84,000 Carnegie allocation, thus generating a total income of $239,000. On the other hand, direct MAP expenditures of $158,451.68, when combined with an indirect university contribution of $60,945.30, produced total direct and indirect program costs of $219,396.98.

A programmatic and functional breakdown of the $219,396.98 in direct and indirect expenses yields the following data: the Little College component totaled $64,744.70 for instruction, $6,971.44 for counseling, $9,384.26 for evaluation and $11,238.64 for instructional support, for a total of $92,339.04 or 42% of the total budget; the Humanities Cluster College encumbered $34,381.33 for instruction, $7,090.09 for counseling, $9,311.17 for evaluation, and $12,817.42 for instructional support, for a total of $63,600.01 or 29% of the total budget; the Science Cluster College expended $32,966.65 for instruction, $6,944.96 for counseling, $10,128.86 for evaluation, and $13,417.46 for instructional support, for a total of $63,457.93 or 29% of the total budget. Of the $219,396.98, 60% was allocated for instruction, 10% for counseling, 13% for evaluation, and 17% for instructional support.

Indirect University Contributions

Some comment is necessary here concerning indirect university contributions. These "contributions" include the allocation of faculty, graduate student, and counselor time by various departments and offices within the University, together

with $7,800 in graduate assistant fee "waivers" (a misnomer) from the Graduate School.

In order to mount its curricular programs, MAP was required to negotiate with various departments for the release of certain faculty members. In return for this release, MAP agreed to pay departments the salaries of the faculty members in question for the portion of time they would be teaching in MAP. This procedure was generally followed in regard to the Little College and the Humanities Cluster.

However, a ruling by the Provost changed the procedure, effective Spring Quarter. The new procedure was then applied to the Science Cluster (and has since been applied to all subsequent MAP curricular programs). The new ruling stipulated that payment to departments was to be made on the basis of the cost necessary to actually teach the course or courses that the released faculty member would have taught (rather than the actual percentage of that faculty member's salary). The result of this ruling was to lower MAP's direct expenses and increase the departmental "contribution" to MAP. Thus it will be seen that, in the Humanities Cluster, for example, direct expenditures greatly outweigh indirect ones. In the Science Cluster, on the other hand, indirect University contributions account for more than half of the Cluster's budget.

Regarding contributions of graduate student and counselor time, the former were made by the Speech and English departments by assigning graduate students to teach English and Speech in the MAP Communications Module. The Counseling Center's contribution involved the assignment of two counseling psychologists to work with MAP on a part-time basis for the academic year.

Costs per FTE

As has been mentioned previously, approximately $155,000 was returned to the University, through state subsidy and student tuition, as a result of the student credit hours generated by MAP. (It should be noted, however, that the

$155,000 is a gross figure before the deduction of University-wide overhead.

If one includes the entire MAP curriculum ("Images," English, Speech, Humanities Cluster, Science Cluster) in the accounting, MAP generated 5660 student credit hours or 377 FTE's. Applying these figures to the MAP budget, the average direct cost of MAP per FTE is $420, while the average direct plus indirect cost of MAP is $582 (University-wide overhead not included).

According to figures recently released by the Ohio Board of Regents, the average cost of instruction at the general studies level at B.G.S.U. per FTE is $565. (This figure also does not include University-wide overhead). A case can thus be made for the comparability of MAP and traditional general studies expenditures per FTE.

Savings to Student and State

As has been discussed in another report, 25 students were accepted for junior standing and will most likely complete their baccalaureate program in approximately three years. Each one of these students is thus saving one year of tuition, room, and board expenses:

Tuition	$ 780
Room & Board	1,095
Total	$1,875 (@ 1972-73 rates)

At the same time, the state is also saving the sophomore year subsidy for each of the 25 students. Assuming that the average sophomore spends half his time taking general studies and half taking baccalaureate general courses, for each student the state would save one-half of the general studies subsidy (@ 1973-74 rates) of $511 and one-half of the baccalaureate general subsidy of $1118, or a total of $815. The 25 "accelerated" students would thus bring a total savings to the state of $20,375.

APPENDICES

Appendix A

Authorized MAP Project Budget 1972-73

	Contracts	Classified	Total Salaries	T. Emp.	Equip.
Humanities Cluster College #119247 carry over from 1971-72 approved bud. 1972-73	$ 27,700		$ 27,700	$ 550	$750
Total from Hum. Cluster					
Little College #119246 carry over from 1971-72 approved bud. 1972-73	33,045	$2,735	35,780	900	
Total from Little College					
Distribution of Carnegie Grant Funds	66,755	3,795	70,550	11,000	
Total Distribution	$127,500	$6,530	$134,030	$12,450	$750

1972-73

pp.	Equip.	Travel	Other	Total Operating	Total Budget
			$ 15.49	$ 15.49	$ 15.49
550	$750	$ 550	700.00	2,550.00	30,250.00
					$ 30,265.49
			1,215.83	1,215.83	1,215.83
900			3,320.00	4,220.00	40,000.00
					$ 41,215.83
000		450	2,000.00	13,450.00	84,000.00
450	$750	$1,000	$7,251.32	$21,451.32	$155,481.32

Appendix B

Actual MAP Project Expenditures 1972-73 As Of

	Faculty/ Staff	Graduate Assistant	Classified	Total Salaries	Temporary Employment	E
Approved Budget 1972-73	$127,500.00	$ .00	$6,530.00	$134,030.00	$12,450.00	$
Redistribution of Funds	+4,877.89	+6,160.00	-183.49	+10,854.40	-8,000.00	+
Adjusted Total Funds Available 1972-73	132,377.89	6,160.00	6,346.51	144,884.40	4,450.00	2
Expenditures:						
Central Office	52,825.51		6,346.51	59,172.02	1,649.68	1
Little College	36,098.55	6,160.00		42,258.55	108.03	
Humanities Cluster College	28,062.00			28,062.00		
Science Cluster College	15,391.83			15,391.83	750.00	
Sub-total	132,377.89	6,160.00	6,346.51	144,884.40	2,507.71	1
Unexpended Balance	.00	.00	.00	.00	1,942.29	

* Approximately 90% of this line item includes expenditures for student field trips and activ conference at Pokagon; approximately 10% of these monies were used for professional staff d

es 1972-73 As Of June 30, 1973

Temporary Employment	Equipment	Travel	Other	Total Operating	Total Budget
$12,450.00	$ 750.00	$1,000.00	$7,251.32	$21,451.32	$155,481.32
-8,000.00	+1,440.00		+1,580.57	-4,979.43	+5,874.97
4,450.00	2,190.00	1,000.00	8,831.89	16,471.89	161,356.29
1,649.68	1,679.78	3,226.61	1,735.14	8,291.21	67,463.23
108.03	148.48		419.54	676.05	42,934.60
			2,000.00	2,000.00	30,062.00
750.00	8.86	854.59	986.57	2,600.02	17,991.85
2,207.71	1,837.12	4,081.20*	5,141.25	13,567.28	158,451.68
1,942.29	352.88	-3,081.20	3,690.64	2,904.61	2,904.61

trips and activities and the initial M'P planning and development
essional staff development.

Appendix C

Direct & Indirect
Expenditures by Programs and Functio
MAP 1972-73

Functions	PROGRAMS OF MAP	
	Little College	Humanities Cluster College
INSTRUCTIONAL		
Carnegie	$23,000.00	$ 8,608.17
Direct University	18,258.55	17,952.83
Indirect University	23,486.15	7,819.33
Sub-total	64,744.70	34,381.33
COUNSELING		
Carnegie	.00	.00
Direct University	3,283 11	3,401.76
Indirect University	3,688.33	3,688.33
Sub-total	6,971.44	7,090.09
EVALUATION		
Carnegie	2,393.44	1,820.33
Direct University	6,990.82	7,490.84
Indirect University	.00	.00
Sub-total	9,384.26	9,311.17

ndirect
rams and Functions
2-73

OGRAMS OF MAP

nities Cluster College	Science Cluster College	Total Expenditures
$ 8,608.17	$14,391.83	$ 46,000.00
17,953.83	.00	36,212.38
7,819.33	18,574.82	49,880.30
34,381.33	32,966.65	132,092.68
.00	.00	.00
3,401.76	3,256.62	9,941.49
3,688.33	3,688.34	11,065.00
7,090.09	6,944.96	21,006.49
1,820.33	1,786.23	6,000.00
7,490.84	8,342.63	22,824.29
.00	.00	.00
9,311.17	10,128.86	28,824.29

Functions	PROGRAMS OF MAP Little College	Humanities Cluster College
INSTRUCTIONAL SUPPORT		
Carnegie	$11,238.64	$12,817.42
Direct University	.00	.00
Indirect University	.00	.00
Sub-total	11,238.64	12,817.42
TOTAL EXPENDITURES	$92,539.04	$63,600.01

RAMS OF MAP

ties Cluster ollege	Science Cluster College	Total Expenditures
2,817.42	$ 7,943.94	$ 32,000.00
.00	5,473.52	5,473.52
.00	.00	.00
2,817.42	13,417.46	37,473.52
3,600.01	$63,457.93	$219,396.98

Appendix D

MAP Finances (1972-73): A Budgetary Overview

Source of Funds	
Income Generated through SCH's by MAP (Includes State Subsidy and Instructional Fees)	$155,000
Income from Carnegie Grant	84,000
Total Income	$239,000
Source of Expenditures	
Direct MAP Expenditures	$158,451.68
Indirect University Contribution	60,945.30
Total Direct and Indirect Costs	$219,396.98
Cost of MAP per FTE	
Student Credit Hours Generated	5660
Full-Time Equivalents Generated	377
Direct Cost of MAP per FTE	$420 *
Direct and Indirect Cost of MAP per FTE	$582 *
** Cost of Comparable Freshman Programs per FTE	$565 *

* University-wide overhead not included.

** Ohio Board of Regents. Ohio Higher Education - Basic Data Series. August 1973.